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Supreme Court of the United States

OCTOBER TERM, 1931.

Nos. 506, 507.

AMERICAN TRADING COMPANY,

Petitioner,

vs.

H. E. HEACOCK CO.,

Respondent.

WM. A. ROGERS, LTD., and AMERICAN TRADING COMPANY,

Petitioners,

vs.

H. E. HEACOCK CO.,

Respondent.

REPLY BRIEF ON BEHALF OF AMERICAN TRADING COMPANY AND WM. A. ROGERS, LTD., IN SUPPORT OF PETITION FOR WRITS OF CERTIORARI TO THE SUPREME COURT IN THE PHILIPPINE ISLANDS.

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Statement of the Case and Facts.

A statement of the case and of the facts involved is incorporated in the petition (pp. 2-6). Statements in respondent's brief in opposition to this petition necessitate emphasizing certain of these facts.

When it mentions the petitioner Wm. A. Rogers, Ltd., respondent regularly refers to it as "a Canadian corporation" or "a Canadian company" (Respondent's Brief, pp. 3, 7, 13). Wm. A. Rogers, Ltd., was organized in Canada (Rec. p. 30; Petition, p. 2), but this fact is not material. The important fact, in this connection, is that the factories of Wm. A. Rogers, Ltd., where the goods involved in this controversy were manufactured, are in the United States; that these suits involve goods of American manufacture, marked with trade-marks registered in the United States and imported from the United States to the Philippine Islands (Rec. pp. 11, 103).

Respondent quotes from the findings of fact of the Court of First Instance the following: "* * * H. E. Heacock Co. registered in the Bureau of Commerce and Industry the trade-mark 'Rogers' * * *" (Respondent's Brief, p. 3), and, from the opinion of the Supreme Court of the Philippines, "* * * Heacock Company duly registered here the word 'Rogers' as its trade-mark * * *" (Respondent's Brief, p. 6).

The trade-mark registered by H. E. Heacock Co. was not the name "Rogers," but, as described in the application for registration, "The trade-mark consists of the word 'ROGERS' *in ordinary Roman capitals*" (italics ours). (Rec. p. 138). Broad rights in the name "Rogers" were not claimed by respondent.

The Petition Will Be Decided on the Record.

Respondent, H. E. Heacock Co., in its brief in opposition to these petitions has introduced matter outside the record by attaching as an appendix to that brief a copy of an instrument recorded in the United States Patent Office, namely, an assignment by petitioner Wm. A. Rogers, Ltd., to Oneida Community, Limited, of certain trade-marks listed in a schedule also annexed to respondent's brief.

This assignment was recorded on July 9, 1929. The brief for respondent, as appellee, in the appeal to the Supreme Court of the Philippine Islands, was filed on April 11, 1930, and on July 30, 1930, more than a year after the recording of this assignment, the cases were submitted to the Supreme Court of the Philippine Islands for decision on the merits (Rec. p. 277).

The sale of these trade-marks by Wm. A. Rogers, Ltd., to Oneida Community, Limited, was well known in the trade and the assignment instrument was on record for many months before the record in these cases was completed, and, since respondent, in its brief, does not indicate when it first had notice of this assignment, it will be presumed that the argument on which respondent now relies, if at all valid, could have been presented to the Supreme Court of the Philippine Islands and this instrument made a part of the record. The Philippine Code provides for the substitution of real parties in interest for nominal parties at any stage of the action, in the Court of First Instance or in the Supreme Court of the Philippine Islands. Philippine Code of Civil Procedure, Secs. 110, 114 (Appendix, *infra*), and see *Alonso* v. *Villamor*, 16 Phil. Rep. 315, 320.

These petitions will be decided on the transcript of that record as submitted (*McClellan* v. *Carland*, 217 U. S. 268, 283).

This Is Not a Moot Case.

Relying on the instrument above referred to, which was not in evidence below and is not a part of the record, respondents argues that the case is moot because one petitioner has divested itself of rights in certain trade-marks and trade names involved.

The judgment rendered by the Court of First Instance, which was affirmed by the Supreme Court of the Philippine Islands, ordered both petitioners, Wm. A. Rogers, Ltd., and American Trading Company, to render an ac-

count of profits or earnings and to pay to respondent a sum of money equal to said profits and earnings (Rec. p. 247).

Pursuant to the order of Hon. George A. Malcolm, Associate Justice of the Supreme Court of the Philippine Islands (Rec. p. 552), your petitioners filed a supersedeas bond in the sum of $10,000 and your petitioner Wm. A. Rogers, Ltd., is sole signatory to that bond.

Your petitioner Wm. A. Rogers, Ltd., still is in existence as a corporate entity and it is liable to an accounting of profits and a judgment for damages based on the order of the Philippine court and on its bond filed in the Philippine court and it still is liable to issuance of an injunction against which it has a right to defend itself. In addition, Wm. A. Rogers, Ltd., is defending the title of its assignee. It is therefore immaterial whether Wm. A. Rogers, Ltd., now owns these particular trade-marks, and petitioners' statement of present ownership, referred to on page 15 of respondent's brief, and which was true at the time of the commencement of these suits, and inadvertently was brought into the petition, is no basis for respondent's opposition.

Therefore, under no circumstances can it be held that this is a moot case as far as Wm. A. Rogers, Ltd., is concerned.

The Questions of Law of General Public Interest Remain.

The petition (p. 10) states questions of law of general public interest presented by this case. These questions remain and are not affected by the assignment above referred to nor by any other act of any party to these suits during their pendency.

Clark v. *Wooster,* 119 U. S. 322, 325.
United States v. *Bates Valve Bag Corporation,* 39 Fed. (2d) 162-164.

In each of the four cases cited on page 16 of respondent's brief the subject matter of the controversy had ceased to exist pending appeal and "no relief within the scope of the appeal could now be granted" (*Mills* v. *Green*, 159 U. S. 651, 658). In the present case effectual relief can be granted to both petitioners. They can be relieved of an accounting of profits, and damages, and liability on a $10,000 bond, as well as of an injunction.

Issues Not Raised Below Will Not Be Considered in Connection With This Petition.

On page 14 of its brief, respondent "mentioned in passing that these goods were offered in Manila, not as 'Wm. A. Rogers,' although bearing such marking, but as 'Rogers' * * * no attempt was made to distinguish."

This issue was not raised at the trial of either of these cases and for that reason we shall not discuss it here. The Court will consider only questions raised and considered below (*Hiawassee* v. *Carolina-Tennessee Co.*, 252 U. S. 341, 343; *New York Dock Co.* v. *SS. Poznan*, 274 U. S. 117, 123).

Conclusion.

The concluding paragraphs of respondents' brief read:

> "The only question which remained in this case after Wm. A. Rogers, Ltd., divested itself of every interest in the subject matter is whether a dealer in the Philippines who employs marks by which he trades on the established good-will of another dealer, may justify his acts by showing that he obtained the ware thus marked from a manufacturer who had registered the marks in the United States. Such a defense is unsound and raises no question of public importance."

We submit that even if this were the only question remaining, it is still a question of public importance. It is

of very real public importance that American manufacturers may know whether their Philippine agents and customers may safely import American goods and sell them in the Islands under their duly registered United States trade-marks.

We ask that a Writ of Certiorari be granted.

Respectfully submitted,

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APPENDIX.

CODE OF CIVIL PROCEDURE OF THE PHILIPPINE ISLANDS.

SEC. 110—*Amendments in General.* The court shall, in furtherance of justice, and on such terms, if any, as may be proper, allow a party to amend any pleading or proceeding and at any stage of the action, in either the Court of First Instance or the Supreme Court, by adding or striking out the name of any party, either plaintiff or defendant, or by correcting a mistake in the name of a party, or a mistaken or inadequate allegation or description in any other respect, so that the actual merits of the controversy may speedily be determined, without regard to technicalities, and in the most expeditious and inexpensive manner. The court may also, upon like terms, allow an answer or other pleading to be made after the time limited by the rules of the court for filing the same. Orders of the court upon the matters provided in this section shall be made upon motion filed in court, after notice to the adverse party, and an opportunity to be heard.

SEC. 114—*Parties to Actions.* Every action must be prosecuted in the name of the real party in interest. * * *